

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 7535**

**BILL NUMBER:** HB 1400

**NOTE PREPARED:** Feb 7, 2011

**BILL AMENDED:**

**SUBJECT:** Roofing Projects of Political Subdivisions.

**FIRST AUTHOR:** Rep. Leonard

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** The bill requires specifications for a roofing project of a political subdivision to be written to encourage free, open, and competitive bidding and refrain from calling for unique or proprietary materials.

**Effective Date:** July 1, 2011.

**Explanation of State Expenditures:** The Attorney General could petition a trial court of jurisdiction to impose civil penalties on violators of the bill's provisions. The Attorney General (AG) could recover investigative costs when a court finds in favor of a petition. The AG would have to conduct all investigations and file petitions within existing revenues.

**Explanation of State Revenues:** Successful petitions by the Attorney General could lead to civil penalties being imposed by a court of jurisdiction on a violator the AG sought the petition against. A civil penalty could be assessed at a maximum of \$25,000 per violation plus investigative costs incurred by the AG.

**Explanation of Local Expenditures:** Political subdivisions may have additional expenditures in newspaper publishing costs for additional public meeting notices, if contract officers representing political subdivisions require a pre-bid meeting as condition of acceptance of a bid from a person placing a bid.

**Explanation of Local Revenues:** Design professionals, contractors, materials manufacturers, consultants, or vendors that knowingly or intentionally provide false information or fail to disclose an ownership, investment, or compensation relationship, required by the bill, would be liable to the political subdivision for any excessive or unnecessary costs when compared to competing bids due to the non disclosure or false

information.

**State Agencies Affected:** Attorney General.

**Local Agencies Affected:** Political subdivisions, trial courts.

**Information Sources:**

**Fiscal Analyst:** Chris Baker, 317-232-9851.